

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
FINANCE (POLICY) DEPARTMENT
4TH LEVEL, 'A WING' DELHI SECRETARIAT
I.P. ESTATE, NEW DELHI 110002
CD No:- 012707369

No. F. 20/07/2022/PD/1360-1368

Dated: 29/05/2023

ENDORSEMENT

The copy of under mentioned Office Memoranda are forwarded herewith for information and necessary action to the following: -

1. All Heads of Department, Govt. of NCT of Delhi.
2. All Pay & Accounts Officers through Principal Accounts Office, Vikas Bhawan, Govt. of NCT of Delhi.
3. All Heads of Autonomous Bodies, Govt of NCT of Delhi.
4. The Commissioner, Municipal Corporation of Delhi, Civic Centre, Minto Road, New Delhi.
5. Chairperson, NDMC, Palika Kendra, New Delhi.
6. Chief Executive Officer, Delhi Cantonment Board, Delhi.
7. CEO, Delhi Urban Shelter Improvement Board, I.P. Estate, New Delhi.
8. Sy. Analyst with the request to upload the same on Website of Finance Department and all the Departments are requested to download the same from Website of Finance Department (No hardcopy of enclosures will be dispatched to any Organisation/Deptt.)
9. Guard File.

(Manoj Kumar V.M.)

Joint Secretary (Finance/Policy)

List of O.Ms forwarded

S.No.	Name of the Ministry/ Deptt.	OM. No. and date	Subject
1.	Govt. of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division	OM No.4/1/2023-PPD, Dated 03.04.2023 https://doe.gov.in/sites/default/files/Relaxation%20for%20procurement%20of%200certain%20items%20through%20Global%20Tender%20Enquiry.pdf	Relaxation for Procurement of Certain items through Global Tender Enquiry (GTE)-regarding.
2	Govt. of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division	OM No.1/2/2023-PPD dated 03.04.2023	Amendment in General Finance Rules, 2017- Rule 171(i) Performance Security Regarding.

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No.F.1/2/2023-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

513, Lok Nayak Bhavan,
Khan Market, New Delhi,
03.04.2023

OFFICE MEMORANDUM

Subject: - Amendment in General Financial Rules, 2017 – Rule 171(i) Performance Security Regarding.

Attention is invited towards Rule 171(i) of General Financial Rules, 2017 regarding Performance Security. It has been decided to amend the Rule 171(i) of GFRs, 2017 as under:

Existing Rule	Revised Rule
Rule 171(i): To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract. Unlike contracts of Works and Plants, in case of contracts for goods, the need for the Performance Security depends on the market conditions and commercial practice for the particular kind of goods. Performance Security should be for an amount of five to ten percent of the value of the contract as specified in the bid documents. Performance Security may be furnished in the form of Insurance Surety Bonds, Account Payee Demand Draft, fixed Deposit Receipt from a Commercial bank, Bank Guarantee (including e-Bank Guarantee) from a Commercial bank or online payment in an acceptable form safeguarding the purchaser's interest in all respects.	Rule 171(i): To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract. Unlike contracts of Works and Plants, in case of contracts for goods, the need for the Performance Security depends on the market conditions and commercial practice for the particular kind of goods. Performance Security should be for an amount of three to ten per cent (3-10%) of the value of the contract as specified in the bid documents. Performance Security may be furnished in the form of Insurance Surety Bonds, Account Payee Demand Draft, fixed Deposit Receipt from a Commercial bank, Bank Guarantee (including e-Bank Guarantee) from a Commercial bank or online payment in an acceptable form safeguarding the purchaser's interest in all respects.

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2. Accordingly, amount of Performance Security will also stand modified from existing i.e. 5-10 % to 3-10 % at all places, including following paragraphs in the procurement manuals :

- (i) Para 6.1.2 of Manuals for Procurement of Goods,
 - (ii) Para 6.2.6(iv)(a) of Manual for Procurement of Consultancy and Other Services.
3. Similarly, the amount of performance guarantee plus Security Deposit/ Retention Money as per Para No. 4.12 and 4.13 respectively of the Manual for Procurement of Works will of 3-10%.

4. This OM is also available on website of Department of Expenditure; www.doe.gov.in - > Notification -> Circular -> Procurement Policy OM. Hindi version of this OM will follows.

Usha Rani
03/04/2023
(Usha Rani)

Under Secretary(Procurement Policy)
Tel.24621304
email: usha.rani64@gov.in

To,

All the Secretaries and Financial Advisors to Government of India.